

ADDENDUM NO. 1

Request For Qualifications

For Buckman Direct Diversion Project

Notice to Potential Respondents

This Addendum No. 1 revises, clarifies, and becomes part of the Request For Qualifications issued and dated February 6, 2006, for the Buckman Direct Diversion Project (RFQ). Receipt of this Addendum No. 1 must be acknowledged in the Transmittal Letter for your Submittal.

Questions and Responses

1. “The RFQ requires that the proposer have two water transmission systems, each with a minimum construction value of \$25M. Please advise as to whether this minimum construction value can be reduced to expand the opportunities to use local contractors? Do we need to have a utility contractor as part of the DB team or can we list subs that are capable to meeting the criteria?”

RFQ Revision: The minimum construction value of \$25 million for two water transmission systems set forth in Section 5.3 of the RFQ for Construction Minimum Project Experience is revised to be \$10 million. This requirement may be met through subcontracting or other form of participation in the DB Team.

2. “The RFQ asks for a description of the quality/assurance/quality control process both under the Organization and Management section (page 27), and under the Project Approach section (page 31). Similarly, it also asks for a description of the approach and philosophy towards achieving a cooperative, partnership environment under both of those sections. Is there any difference in the intended information in the two locations? Can we just cross-reference?”

RFQ Clarification: There is no difference intended for the information requested for quality assurance/control in the Organization and Management section and in the Project Approach section. Please feel free to cross-reference.

3. “The Project Approach Section (page 31) asks for comment on limitation of liability, risk allocation, and performance security and insurance coverage. These are topics that naturally will be discussed in the context of the Project Comments, Appendix D, portion of the SOQ. Can Appendix D be simply cross-referenced for these topics in the Project Approach Section?”

RFQ Clarification: The Project Approach section of the Submittal is included in the 75 page limit (see RFQ Section 4.4). In addition, the Project Approach section will be evaluated in the process of selecting the Qualified Respondents (see RFQ Section 5.4). The intent of Appendix D is to provide an open-ended opportunity for comments and suggestions. Therefore, cross-referencing of these sections is not appropriate.

4. “We assume that the June 1, 2009 completion date is intended for substantial completion (including all initial performance tests) and operations of the project, but that final completion of punch-list items can lag behind that. Is that correct?”

RFQ Clarification: The June 1, 2009, completion date is intended as the date for project acceptance (substantial completion and successful completion of initial performance testing). Punch list items may lag behind this date.

5. RFQ Revision: The deadline for the submission of questions, requests for clarifications, comments, or suggestions pertaining to the RFQ or other aspects of the procurement process set forth in Table 3 under Section 3.6 is Noon, Santa Fe Time, March 20, 2006.

This addendum will be part of the RFQ. Non-receipt of addendum by Respondent in no way relieves proponent of any obligation of compliance with any terms and conditions stated in the addendum.

[END ADDENDUM NO. 1]